

BEFORE THE DEPARTMENT OF PUBLIC
HEALTH AND HUMAN SERVICES OF THE
STATE OF MONTANA

In the matter of the amendment of ARM)
37.85.212 pertaining to resource based)
relative value scale (RBRVS)) NOTICE OF AMENDMENT

TO: All Interested Persons

1. On April 6, 2006, the Department of Public Health and Human Services published MAR Notice No. 37-376 pertaining to the public hearing on the proposed amendment of the above-stated rule, at page 872 of the 2006 Montana Administrative Register, issue number 7.

2. The department has amended the following rule as proposed with the following changes from the original proposal. Matter to be added is underlined. Matter to be deleted is interlined.

37.85.212 RESOURCE BASED RELATIVE VALUE SCALE (RBRVS)
REIMBURSEMENT FOR SPECIFIED PROVIDER TYPES (1) through (7)(b)(iii)
remain as proposed.

(8) Except for physician administered drugs as provided in ARM 37.86.105(3), clinical laboratory services and anesthesia services, if neither Medicare nor Medicaid sets RVUs, then reimbursement is by report.

(a) remains as proposed.

(b) For state fiscal year 2007, the by report rate is 45% 46% of the provider's usual and customary charges.

(9) through (14) remain as proposed.

AUTH: 53-2-201, 53-6-113, MCA

IMP: 53-2-201, 53-6-101, 53-6-111, 53-6-113, MCA

3. The department is changing the "by report rate" for fiscal year 2007 established in ARM 37.85.212(8) from 43% to 46%, not 43% to 45% as proposed. The "by report rate" in this rule applies when Montana Medicaid calculates reimbursement as a percent of the provider's usual and customary charges because the federal Medicare or Medicaid programs do not set a relative value unit (RVU) for the procedure code. The by report rate is the ratio of total Medicaid reimbursement paid for RBRVS covered services to total Medicaid billings. It is calculated using the prior fiscal year numbers for pay-to-charge. The final numbers for fiscal year 2006 showed that Medicaid paid 46% of charges, not 45% as original calculated. The department will implement a 46% by report rate, which results in a slight increase in payment for services reimbursed according to the by report rate.

/s/ Dawn Sliva
Rule Reviewer

/s/ Joan Miles
Director, Public Health and
Human Services

Certified to the Secretary of State May 22, 2006.